Section 230 isn't the problem, Payment Networks are

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Section 230 of the Communications Decency Act is one of the most important piec of legislation in American history. Passed into law in 1996, it has overseen the enti of the consumer Internet's development. Its premise is simple: Internet service providers and platform operators are not responsible for civil damages that result fi user-generated content that they host or manage. These protections are why the United States is the first choice for hosting any digital service. Without them, the entire world would suffer a less free Internet.

I have operated a controversial website called the *Kiwi Farms* for 8 years and was featured in ZeroHedge in 2019 after telling New Zealand police I would not be surrendering my user's information to them. My website thrives and doubles in siz each year, primarily thanks to Section 230. I can allow my users to say almost anyth they want without having to worry about being sued for what they say. Without the essential protections, I would not be able to host in the United States.

Unfortunately, Section 230 has been defamed as the reason Facebook, Twitter, Google, *et al* behave the way they do. This is not true. These businesses censor because they have personal motivations to do so. More importantly, they have financial motivations to do so.

I hope to convince a reasonable person that:

1. Payment networks must be regulated to give fair access.

2. Section 230 is essential and modifying it harms online speech.
3. Big tech does not need Section 230, but you do.
4. You should learn how to use cryptocurrencies right now.

> **The payment networks are more powerful than big tech.** Without the consent o all four major payment networks to stay in business, even mighty tech giants are vulnerable to lose billions of dollars in revenue. The various agreements enforce by the four major payment networks (MasterCard, Visa, Amex, and Discover) impose rules that any business wanting to exist in the digital economy must obey Not all these rules are written.
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> The big payment networks like to stay out of the public eye. They avoid attentio by using blacklists which they claim only banks can add to, but which they mana and share. You also never deal with the payment network directly. An eCommerc site passes your credit card information to a "payment gateway", which is plugge into a "payment processor", and that payment processor handles communication with the payment networks. Each of these are usually different companies. Wher you get banned from processing payments, you are told so by your payment gate or payment processor, but the decision can come from much higher up. If it were you'd be lucky to find out.
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> Consider a company like Patreon. They are an online crowdfunding service whic handles donations from many supporters to many online content creators. Patre has its own rules, uses Stripe as a payment gateway and payment processor, agre to Stripe's terms of service, and then Stripe coordinates with all major payment networks which each have their own set of agreements. That means **every creato on Patreon must obey six different sets of rules**. If the gateway were its own company, it would be seven. It is no wonder so many people get banned, as only most tepid and inoffensive content creators could hope to meet so many differen standards!

> Patreon must keep Stripe happy to stay in business, and Stripe must keep all fou payment networks happy to stay in business. If any one of MasterCard, Visa, An or Discover pass a rule, then it affects the entire downstream ecosystem. If Discover (5% of the market) says an industry or behavior is prohibited, then Strip must enforce that rule on all the merchants on their service (even merchants wh not process Discover). If Discover were to cut ties with Stripe, then Stripe woul lose at least 5% of their transactions over night and any merchants who do want process Discover cards. That is a large and dramatic blow to any company operating on small margins.
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> I do not claim it is MasterCard's fault that Twitter banned Trump. I am sure Twitter makes many stupid decisions all on its own. The problem is that **these rules—how they are enforced, the secrecy in which they are enforced, and unappealable finality of these decisions—stifle competition**. Startups like Gab quickly find themselves told they are not allowed to make money. This problem l never existed before on the scale that it does now.
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> This phenomenon transcends the type of startup. All alt-tech is trodden upon equally. Patreon competitor *New Project 2* was first banned from a payment processor at the demand of Discover, then **after finding a new payment process was put on MATCH (the MasterCard blocklist), prohibiting the company from ever finding another payment processor**. If Dick Masterson (the owner of NP2) made a new company to try and get around MATCH for the purpose of continui NP2, **he would very likely find his person on that blocklist directly, ending all h businesses at once**.
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> **These blocklists, and the risk management factors which decide who goes on them, are "trade secrets"** and you cannot even sue to figure out why you were ad to them. New Project 2 was blacklisted for "Violation of Standards", which prohibits it from even using so-called high-risk processors. Nobody knows what "Violation of Standards" means. Dick only found some details of *New Project 2*'s

> blacklisting because he called the banks and annoyed the right people for days u they reluctantly admitted who was actually at fault. Payment networks claim the do not add merchants to the blacklists, and that only partner banks can, but they will call these banks and tell them to do it on their behalf, and the banks are not any position to refuse.
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> PayPal has not been mentioned so far, but rest assured they are one of the most egregious and will drop you first. BitChute, a video platform competing with YouTube, was banned from PayPal. **ZeroHedge itself is banned from using PayPal.** To this day, because of my association with the Kiwi Farms, I cannot us the Uber app to get a taxi because Uber uses PayPal to process credit cards and I am banned from PayPal.
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> **Before we regulate the Internet, why don't we try to regulate the payment networks?** Give the market a fair chance at competing with tech giants by enforcing fair access to credit and debit card processing!
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> The Office of the Comptroller of Currency proposed new regulation which woul require banks (and the services they run, including payment networks) to stop industry blacklisting and require specific examples of risk to ban a merchant fro processing cards. It was called *Fair Access to Financial Services* (OCC-2020-0042-0001).
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> These "fair access" rules were finalized on January 14th, 2021. They were set to t effect on April 1st. Placing this on April Fool's Day was a bit too prescient, beca the Chairman immediately resigned after passing this rule, and **the fair access ru was formally put on an indefinite pause on January 28th, 2021 – one week after Biden assumed office.**
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> This rule was politicized as a way for Republicans to force poor, innocent multinational trillion dollar banking institutions to do business with 'evil' industries like oil drilling and the NRA. The Chairman of the OCC made note t

> it should be an act of congress to regulate those industries, not unilaterally enfor
> by nameless risk management committees behind closed doors.
>
> It is unlikely that payment network regulation will find bipartisan support. The payment networks do a good job of picking their targets. Controversial but left-leaning organizations like *Nation of Islam* appear to have no issue processing car despite their virulent antisemitism rivaling anything found on Gab. Perhaps if *Planned Parenthood* suddenly needed cash upfront to perform abortions things would change. Until then, **free speech will be clustered alongside weapons and Alaskan oil prospecting as an industry that is safe to punch down at.**
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> So, if bankers are above regulation for now, why not regulate social media?
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> **We have already amended Section 230 and it sucked.** There are holes poked int Section 230 protections already. When Section 230 was first passed in 1996, Congress effectively legalized piracy. Platforms were immunized even from copyright infringement damages. So, if pirates could stay anonymous, there was one to sue for distributing copies of movies.
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> To patch the piracy loophole, in 1998, we passed the DMCA. This act created th process for the copyright takedown system that is infamous on websites like YouTube. Rights Holders can now take down copyrighted content and sue the services directly if they refuse to comply. Unfortunately, the process created is so sloppy and awful it is a continuous nightmare for a host like me (and everyone or YouTube) to deal with.
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> For one, there is no recourse for flagrant or malicious DMCA takedowns. There no requirement that the person sending the DMCA prove they own the copyrigh to have a copyright ID, to be an attorney, or anything to that effect. I routinely receive copyright complaints that I must take seriously for content they don't ev own. *OnlyFans* (a Grand Cayman company) makes it clear in their Terms of Servi that they do not own the content they host. Despite that, *OnlyFans* routinely send

> me DMCA takedown notices for their 3rd party content through a man out of California who is not an attorney. This is a total farce, and there is nothing I car do. I still must reply with a counter notice, but they never take it to court and I never even hear back. I have no legal recourse against this abuse.
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> This will be *everything* online if further loopholes were carved into Section 230. **Imagine if defamation was handled the same way the copyright system is.** Random trolls could issue takedowns for your Tweets and Facebook posts. You would have to send a legal counter notice with your real name and address to the troll to reinstate your messages. There would be no validations in place. Your speech would be at the mercy of the whims of insane people online.
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> In this environment where platforms could be held liable for things said on their websites, **only the richest of them could afford survival.** I am currently dealing with two lawsuits. They are completely baseless, insane ramblings from insane people, but they will still cost a lot of money to deal with. There is no way to get fees from them because they have nothing to take. Without Section 230, I would lose a layer of protection enabling me to deal with these lawsuits for much less t it would if we had to take it to trial. It would destroy the site, especially since I cannot charge cards normally to generate consistent revenue to fund my defense with.
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> President Trump and people in general seem desperate just for revenge. The rat directed towards Section 230 is out of anger. "If only this blow were delivered ar 230 were repealed," they think, "Twitter would be plunged into financial ruin overnight." Maybe a Samson Option is what we need?
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> Unfortunately, it is not so simple. **Twitter would adapt and become more censorious to reduce its civil liabilities.** All US search engines would have their results curated by anyone willing to complain about defamation—including, and perhaps especially, by public figures with something to hide. The smaller and le profitable sites hosted out of the US (Gab, Parler, 4chan, 8kun, Kiwi Farms,

> Encyclopedia Dramatica, thousands of small, federated services and communitie would either be destroyed outright, forced go private, or driven out of the Unitec States. It would be a total disaster for the little guys.
>
> Jack Posobiec made a comment recently that Justice Clarence Thomas had ruled Section 230 was unconstitutional. This is not true. The opinion he cited as 'sauc was not case law, but rather an opinion in the strictest sense. Thomas did not ev claim Section 230 was unconstitutional. This misinformation was seen hundred thousands of times and further defamed the public perception of a law we rely o even conduct these conversations about Section 230 online.
>
> **So, if we can't regulate the banks and Section 230 is actually good, what can we do?** What Clarence Thomas actually suggested was that we might have to regula the supermassive tech companies as 'common carriers' or utilities. Regulating o the largest social media networks could work. **You can either be a monopoly, or you can be unregulated, you cannot be both.** I maintain that regulating paymer networks *first* would be ideal, but that will not happen.
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> There is some hope that FedNow, an atrociously named US answer to SEPA, cou offer some relief to this payment network bottleneck on speech. I am not optimi for it, but it is good for more people to know it is supposedly in development.
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> **Cryptocurrencies bypass the payment network bottleneck now.** The more peop who know how to transact in cryptocurrency, the freer the Internet will be. Sites like buybitcoinworldwide.com (not an affiliate url) contain simple guides on how get into the ecosystem regardless of your country. **You do not have to invest any money in. Just learn how crypto works, how to get it, and how to send it. That knowledge cannot be taken away from you**—and it might prove useful, sooner rather than later.

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Petra Disruption Aug 2

How do we know you're telling the truth since you like to play right side of the history so often? somehow you got Anime and the like and vtubers alike but then say it's evil bad and gross in you public face? When you conflate drawings for actual harm just like the people you are trying to sp against?

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ayylmao Aug 4

this post is fully correct except the last point, crypto is important, but its also as fake as fiat. only much money in that shit as you are comfortable gambling or plan to pay for actual goods and se

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